



# Arizona State Retirement System

3300 North Central Avenue, Phoenix, AZ 85012

[WWW.AZASRS.GOV](http://WWW.AZASRS.GOV)

## Fact Sheet

### Information:

Phoenix (602) 240-2000

Tucson (520) 239-3100

Toll-free (800) 621-3778

### **RETIREMENT ANNUITY OPTIONS**

When you retire, you have a number of options for choosing how you would like to have your annuity, or pension benefit, paid to you. Below is a summary. In addition to your annuity choice, you may also select to have a partial lump sum paid to you at the beginning of your retirement, and/or a level income option, available to members who retire prior to reaching age 62 when Social Security benefits become available. For more information, contact the Member Service Advisory Center at the numbers listed above.

| <b>RETIREMENT ANNUITY OPTION</b>        | <b>DEFINITION</b>   |
|---|---|
| <b>Straight Life Annuity</b>            | Provides a monthly benefit for life. If your death occurs before all of your contributions plus interest have been paid, the remaining balance will be paid to your beneficiary.  |
| <b>Life Annuity<br/>5 Year Certain</b>  | Provides a reduced monthly benefit for life. If your death occurs before receiving 60 monthly payments, the ASRS will pay the remaining payments to your beneficiary until all 60 have been made. Retiree must be age 103 or younger.   |
| <b>Life Annuity<br/>10 Year Certain</b> | Provides a reduced monthly benefit for life. If your death occurs before receiving 120 monthly payments, the ASRS will pay the remaining payments to your beneficiary until all 120 have been made. Retiree must be age 92 or younger.  |
| <b>Life Annuity<br/>15 Year Certain</b> | Provides a reduced monthly benefit for life. If your death occurs before receiving 180 monthly payments, the ASRS will pay the remaining payments to your beneficiary until all 180 have been made. Retiree must be age 84 or younger.  |
| <b>Joint and Survivor<br/>100%</b>      | Provides a reduced monthly benefit for life. Upon your death, the ASRS will pay 100% of your monthly benefit to your beneficiary for the rest of their life. You may choose this option if your beneficiary is your spouse or a non-spouse who is not more than 10 years younger than you.  |
| <b>Joint and Survivor<br/>66 2/3%</b>   | Provides a reduced monthly benefit for life. Upon your death, the ASRS will pay a benefit to your beneficiary for the rest of their life. The payment to your beneficiary will be equal to 66 2/3% of your monthly benefit. You may choose this option if your beneficiary is your spouse or a non-spouse who is not more than 24 years younger than you. |
| <b>Joint and Survivor<br/>50%</b>       | Provides a reduced monthly benefit for life. Upon your death, the ASRS will pay a benefit to your beneficiary for the rest of their life. The payment to your beneficiary will be equal to 50% of your monthly benefit. There are no age restrictions for the beneficiary.  |
| <b>Partial Lump Sum</b>                 | Allows a member to take a portion of their retirement income in a lump sum payment. Members may elect, at the time of retirement, a partial lump sum payment for any number of months to a maximum of 36 months. Monthly annuity is actuarially reduced.  |
| <b>Level Income Alternative</b>         | Provides for members who retire prior to age 62 and to receive a greater benefit in the early years of retirement in exchange for a reduced ASRS benefit when they become eligible for Social Security at age 62.   |